



Association of Bay Area Governments  
Publicly OWned Energy Resources

# **Request for Qualifications and Proposals for Natural Gas Scheduling Services**

**Due Date: April 2, 2013**

**ABAG POWER  
101- 8th Street  
Oakland, CA 94607-4756  
(510) 464-7956**

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Publicly OWned Energy Resources

**Natural Gas Scheduling Services**

ABAG Publicly OWned Energy Resources (ABAG POWER) invites you to propose gas scheduling services for a natural gas purchasing pool of local governments in Northern California for the term of July 1, 2013 to June 30, 2015, with an option to extend for up to three years, exercisable at ABAG POWER's discretion.

**Deadline**

The deadline for submitting qualifications and proposals is **5:00 p.m. (Pacific Daylight Savings Time), Monday, April 2, 2013**. Electronic submittal (via email) is preferred; otherwise please submit proposals to the address below.

**Address**

Please submit proposals and Company Information Form to:

**Gerald Lahr**  
**JerryL@abag.ca.gov**  
**Power Pool Manager**  
**ABAG POWER**  
**P.O. Box 2050**  
**Oakland, CA 94604-2050**  
**Fax : (510) 433-5508**

**Express Delivery:**  
**101 - 8th Street**  
**Oakland, CA 94607-4756**

For information regarding proposal requirements, contact Vina Maharaj at telephone: (510) 464-7956, or e-mail: [VinaM@abag.ca.gov](mailto:VinaM@abag.ca.gov) .

**Timetable.** Following is the anticipated schedule of events associated with this proposal.

ABAG POWER Issues RFP for Natural Gas Scheduling Services .....	March 4, 2013
Questions and Notice of Intent to Propose .....	March 15, 2013
Responses to Questions by ABAG POWER .....	March 25, 2013
Proposals Due at ABAG Offices .....	April 2, 2013
Interviews of Select Candidates .....	April 18 - 19, 2013
Tentative Selection by ABAG POWER .....	April 26, 2013

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**ABAG POWER invites you to propose gas scheduling services for a natural gas purchasing pool of local governments in Northern California.**

## **I. Introduction**

The Association of Bay Area Governments (ABAG) is a Joint Powers Agency (JPA) serving the local governments in the nine county San Francisco Bay Area. ABAG Publicly OWned Energy Resources (ABAG POWER) is a JPA formed under ABAG to act as an energy service provider (ESP) to its members for both natural gas and electricity. Under the rules and regulations of the California Public Utilities Commission, ABAG POWER is eligible to provide electricity, natural gas and related services to public agencies.

In 1996, ABAG created a purchasing pool for natural gas to help local public agencies lower their utility costs. The pool was transferred to ABAG POWER and has now completed its sixteenth year of operation. ABAG POWER purchases natural gas on agencies' behalf and arranges for it to be delivered to the Pacific Gas & Electric (PG&E) system for distribution to members' accounts.

**Gas Volume.** ABAG POWER currently purchases natural gas from various suppliers for delivery to its members - 38 local governmental agencies. All members are within the PG&E service territory. Gas is transported to its members via Pacific Gas & Electric's (PG&E's) "Backbone" and distribution system. The volume for the current members of the program for the period January through December 2012 was approximately 910,000 MMBtu (790,000 core, 120,000 non-core). The total number of individual accounts is approximately 800 (includes three non-core accounts).

## **II. Proposals**

### **Natural Gas Scheduling Services**

ABAG POWER is seeking an agent to provide comprehensive scheduling services for its natural gas aggregation program. The gas scheduler must work closely with ABAG POWER staff and maintain a good working relationship with PG&E, gas suppliers, and other contractors that generate or provide information.

The following is a listing of the gas scheduling responsibilities. These responsibilities may be modified to reflect changing program needs.

**A. Gas Scheduling.** Gas scheduling responsibilities are as follows:

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1. Nominate supplies on behalf of ABAG POWER in accordance with the Core Gas Aggregation Service Agreement (CTA Agreement), the Gas Transmission Service Agreement (GTSA), and all applicable PG&E natural gas Rules and Tariffs.
2. Monitor gas usage and imbalances, and reconcile gas orders/deliveries. Monitor consumption to eliminate shortfalls and over-deliveries, and handle adjustments as necessary. Some of the areas for consideration include, but are not limited to the following:
  - a) Monitoring of the PG&E Core Load Forecasting Model and compliance with all balancing requirements.
  - b) Supplier vs. Transporter volume discrepancies;
  - c) OFO/EFO supply modifications;
  - d) Ongoing estimates/verification of imbalances, along with recommendations and implementation of plans to mitigate imbalance issues;
  - e) Arrange for injection and withdrawal from storage;
  - f) Evaluation of supplier performance;
  - g) Documentation for resolving gas volume disputes;
  - h) Avoidance of penalties and other unexpected costs;
  - i) Avoidance of supply interruptions.
3. Provide a monthly Operations Report to ABAG POWER summarizing gas purchases, imbalances, storage injection/withdrawal and any other gas scheduling activities.
4. Monitor gas supply contracts to ensure gas delivery. Provide a Gas Purchasing Plan (strategy) for the coming month to include all current purchase contracts, and recommendations of any additional purchase needs.
5. Comply with all local, state, and federal statutes and regulations that govern the natural gas industry.
6. Maintain gas cost information that will allow ABAG POWER to have an itemized account of its purchase history and comparative costs.
7. Review commodity supply invoices, and transportation/transmission charges in a timely manner to permit ABAG POWER payment of such invoices within the designated due date.

**B. Consulting and Strategic planning services.** These services include:

1. Assist ABAG POWER in designing gas supply strategies which:
  - a) Balance cost savings, cost stability, and supply reliability;
  - b) Take advantage of new opportunities and changing market conditions;
  - c) Conceptualize and develop strategies for reducing the cost of natural gas to ABAG POWER participating Members;
2. Assist in research and evaluation of available transportation and storage;

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3. Be reasonably accessible and responsive to expressions of concern by ABAG POWER, its participating Members, attorneys and/or agents;
4. Be reasonably available to attend ABAG POWER Executive Committee and/or Board meetings if requested;
5. Continually analyze and review operating procedures and reporting mechanisms with the goal of improving them, and make timely reports to ABAG POWER containing recommendations for changes;
6. With prior approval, contractor may from time to time speak on behalf of ABAG POWER and its members as an intervenor for utility or regulatory issues. For occasions and issues which fall outside the contractor's existing role, a consulting agreement will be executed to cover these costs.

### **III. Proposals Requirements**

- A. A cover page clearly displaying: 1) company name and 2) a contact person's name, address, phone and fax numbers, and e-mail address. The cover page must be signed by an officer of the company authorized to submit a firm proposal and sign subsequent contracts with ABAG POWER.
- B. Company Information Form. The enclosed **Company Information Form** must be completed by each proposer. Firms bidding as joint ventures or a prime with subcontractors must submit an information form for each member of the joint venture or each subcontractor. Subcontractors should indicate a willingness to subcontract with the prime contractor.
- C. Proposal/discussion of how your firm will undertake the tasks listed in Section II above.
- D. Provide copies of typical report(s) that summarize an entity's gas operations.
- E. List of the principal personnel that will be working on the program, including resumes, and office locations from which the personnel will be physically working.
- F. Describe any experience with California's Core Aggregation Program.
- G. Proposals shall include a list of at least three references for which the proposer has performed work similar to that being proposed. The references should include:
  - Contact name
  - Contact telephone number
  - Company name
  - Company address
  - Dates of service
- H. Proposal shall include a timeline indicating the time and major tasks necessary to transition to the proposer's gas scheduling system.

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#### **IV. Fee Schedule**

Proposals shall include a fee schedule to include any “start-up” expenses along with ongoing monthly fees. Include separately fees for the optional two year extension period. Different fee structures may be proposed, for example: \$/MMBtu, \$/month, combination, or other. Also, please indicate if any minimum load would apply to your pricing.

#### **V. Submission**

The proposal (either electronic or hardcopy) must be received by 5:00 p.m. on April 2, 2013.

#### **VI. Proposal Evaluation and Selection Criteria**

ABAG POWER staff will evaluate the Proposals with the final selection made by the ABAG POWER Executive Committee. ABAG POWER intends to evaluate the Proposals generally in accordance with the criteria itemized below.

- A. Price and Fee Structure (40 points)
  - 1. Lowest cost that meets the requirements of the Program.
- B. Program Approach (40 points)
  - 1. Understanding of the process and tasks to be performed and proposed approach.
  - 2. Breadth of the proposer’s experience managing natural gas supply in California.
  - 3. Quality of references.
- C. Company Information (20 points)
  - 1. Financial stability of company.
  - 2. Office locations.

The Staff and the Committee will evaluate the Proposals according to the criteria outlined. The firms evaluated as most qualified (up to five) will be selected for an interview. Through the interview, staff will evaluate and rank those selected firms according to criteria that best fit ABAG POWER’s needs.

It is ABAG POWER’s intention to negotiate final terms and conditions with the top-ranked firm. If ABAG POWER is unable to negotiate a satisfactory agreement with the top-ranked firm, ABAG POWER will negotiate with the other firms according to their ranking until it has reached a satisfactory contractual agreement.

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## **VI. General Conditions**

### **A. No Obligation to Award**

This Request for Proposal (RFP) does not obligate ABAG POWER to enter into an agreement with any Proposer. ABAG POWER may, at its option, revise the schedule of events or anticipated date of award; may request further information from any Proposer, or may withdraw this RFP in part or in its entirety.

### **B. One Proposal**

If ABAG POWER receives only one Proposal and determines that it has been submitted by the only contractor known to possess the ability to provide services meeting ABAG POWER's requirements, ABAG POWER may, in its discretion, accept such terms as responsive even though that Proposal is made on terms differing from those set forth herein.

### **C. Form Of Proposal And Signature**

Each Proposer, by submission of a proposal, thereby represents and warrants to ABAG POWER and ABAG that each document is signed by a person with authority to bind Proposer to the terms of such document and that the document is duly and validly executed. In particular, documents submitted by a sole owner will be signed by the sole owner with his/her full name and his/her address. Documents submitted by a partnership will be signed by at least one general partner who will also sign his/her own name with the address of each partner. Documents submitted by a corporation will be signed by an officer or other individual who has the full and proper authorization to do so. Documents submitted by a joint venture will be signed on behalf of each participating entity in the manner prescribed above in accordance with its legal status. Documents submitted in any other form will be considered nonresponsive and will be rejected.

### **D. Conditioned Proposal**

Unauthorized conditions, limitations or provisions attached to a proposal will render it non-responsive and may cause its rejection.

### **E. Withdrawal Of Proposal**

A Proposer may withdraw its proposal without prejudice to itself by submitting a written request for its withdrawal to the Program Manager before the due date.

### **F. Firm Proposal**

All proposals shall remain in effect for ninety (90) days from the due date of the proposal.

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**G. Rejection Of Proposal**

ABAG POWER may reject any and all proposals and will reject the proposal of any party who has been delinquent or unfaithful in any former contract with ABAG or ABAG POWER. The right is reserved to reject any or all proposals, and to waive technical defects, as the interests of ABAG or ABAG POWER may require.

**H. Clarification/Submission Of Questions**

Requests for clarification and submission of questions must be received by ABAG POWER, in writing by March 15, 2013. ABAG POWER's response to requests for clarification and submission of questions will be transmitted by email to all **known potential** Proposers no less than five (5) business days before the due date. Please provide a notice of your intent to submit a proposal along with your email address to Gerald Lahr ([JerryL@abag.ca.gov](mailto:JerryL@abag.ca.gov)) if you wish to receive these responses.

**I. Pre-contractual Expense**

Neither ABAG nor ABAG POWER shall be liable for any pre-contractual expenses incurred by any Proposer or its Consultant(s). Proposers shall not include any such expenses as part of the price proposed in response to this RFP. ABAG and ABAG POWER shall be held harmless from any and all liability, claims, or expenses incurred by or on behalf of any person, agency, company or organization responding to this RFP. Pre-contractual expenses are defined as expenses incurred by Proposers and the selected Consultant(s) in:

1. Preparing a proposal in response to this RFP.
2. Submitting proposal to ABAG POWER.
3. Oral presentation to and negotiations with ABAG or ABAG POWER on any matter related to the proposal.
4. Other expenses incurred by the Proposer or Consultant(s) prior to the date of award of any contract.

**J. Protest Procedures**

1. A Proposer may file a protest, in writing, stating the reasons for its protest addressed to the Program Manager within three (3) working days after the notice of pre-award or award or after the post-award circumstances on which the protest is based has come to its attention. A detailed description of the facts underlying the protest plus any supporting documentation should be submitted. The protest should be submitted to the Program Manager at ABAG offices.
2. The Program Manager shall investigate the matter and respond in writing to each point raised by the proposer within ten (10) working days. In addition, the Program Manager shall specify in writing any action to be taken by ABAG.

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3. If the Proposer is not satisfied with the decision of the Program Manager, the proposer may appeal the decision in writing within five (5) working days to ABAG's Executive Director. The appeal shall be submitted at ABAG's offices.
4. The Executive Director will investigate and respond in writing specifying any differences between his findings and those of the Program Manager. The Executive Director will also state the action to be taken by ABAG or the fact that no action shall be taken. The decision of the Executive Director is the final decision of ABAG.
5. The Proposer will be notified of its right to appeal to the appropriate state or local administrative or judicial authorities.
6. In the event a protest has been timely filed before award, ABAG POWER will not make award prior to five (5) calendar days after resolution of the protest, unless ABAG POWER makes a written determination that:
  - (a) The items/services to be procured are urgently required
  - (b) Delivery or performance will be unduly delayed by failure to make the award promptly; or
  - (c) Failure to make prompt award will otherwise cause undue harm to ABAG or ABAG POWER.



## Company Information Form

Company name: \_\_\_\_\_

Principal address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Web Site: \_\_\_\_\_

Do you have a California or West Coast office?                      yes   ☐                      no   ☐

If yes, specify:

Contact person: \_\_\_\_\_

Title: \_\_\_\_\_

Office location: \_\_\_\_\_

Telephone: \_\_\_\_\_

Email Address: \_\_\_\_\_

Business organization-- check one:

☐ Corporation, incorporated in the State of: \_\_\_\_\_

☐ Other (partnership, etc.). Describe: \_\_\_\_\_

Are you:

registered to do business in California?                      yes   ☐                      no   ☐

a minority-owned business?                      yes   ☐                      no   ☐  
(for informational purposes only)

a woman-owned business?                      yes   ☐                      no   ☐  
(for informational purposes only)

